

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)

Truth-in-Billing)
and)

Billing Format)

CC Docket No. 98-170

Comments of the Small Company Committee of the
Louisiana Telecommunications Association on
Petitions for Reconsideration

The Small Company Committee of the Louisiana Telecommunications Association ("SCC") hereby files its comments in support of the Petitions for Reconsideration of the *First Report and Order*¹ in this proceeding filed by the United States Telephone Association ("USTA") and others.² The SCC is composed of the 19 small incumbent local exchanges carriers ("LECs") in Louisiana, each of which will be directly affected by the rules adopted in this proceeding.³ SCC agrees with the basic concept that telephone bills should be clear, well organized and non-misleading, but also agrees with USTA and the other Petitioners that the Commission should reconsider the "monthly-service-provider" rule and the "deniable/non-deniable" rule.

¹ *First Report and Order and Further Notice of Proposed Rulemaking*, CC Docket No. 98-170, FCC 99-72, May 11, 1999, 64 Fed. Reg. 34499, June 25, 1999.

² See Petitions for Reconsideration filed by USTA, AT&T, SBC Communications, Inc., MCI Worldcom ("MCI"), the National Telephone Cooperative Association ("NTCA"), and US WEST Communications, Inc. ("US WEST") (collectively, the "Petitioners").

³ See Attachment 1.

I. The “Monthly Service Provider” Rule Should Be Repealed.

The Commission adopted the “monthly-service-provider” rule, 47. C.F.R. 64.2001(a)(2), purportedly as an anti-slamming measure under the authority provided in Section 258 of the Communications Act of 1934, as amended (the “Act”). Slamming is defined as an unauthorized change in a customer’s presubscribed carrier. The anti-slamming provisions of the Act cannot provide the basis for the adoption of a rule which concerns non-presubscribed carriers and other non-carrier service providers. Thus, the rule clearly exceeds that purpose because it applies to “service providers” which are not providers of telephone exchange service or telephone toll service.

SCC agrees with USTA that, as a practical matter, the rule would confuse, rather than enlighten customers, because the fact that there were no charges for a service provider on the previous month’s bill does not mean it is a new service provider.⁴ Contrary to the rule’s purpose, SCC submits that customers receiving bills that highlight incorrect information would be justifiably confused and annoyed and would blame the billing LEC for the mistake.⁵

Finally, the modifications required to the billing system would involve considerable expense beyond that justified by any perceived benefit.⁶ Currently, SCC members, like most LECs, would require substantial modifications to their billing systems to provide the notification required by the rule as written. SCC agrees with USTA and other petitioners in this proceeding who point out that new databases would have to be developed to contain the latest month’s billing

⁴ See USTA at 4.

⁵ Id.

⁶ See USTA at 5; US WEST at 7.

information for customers and billing systems would have to stop processing bills to compare databases and identify any new providers. Billing systems would have to be modified to receive the comparative information, process it, and print it on the bill.⁷ Parties to the proceeding agree that the changes necessary for compliance with this rule would involve major expense⁸ and, in any event, will take considerable time to implement.⁹

II. The Deniable/Non-Deniable Rule Should Not Apply to Small and Mid-Size LECS.

The SCC agrees with USTA that Section 64.2001(c) should not be applicable to, at least, small and mid-size LECs inasmuch as these LECs “lack the economies of scale and scope to make these kinds of changes.”¹⁰ Moreover, imposing this requirement may “drive some small and mid-size LECs from providing billing and collection services altogether.”¹¹

SCC further concurs with Petitioners that the Commission’s jurisdiction to adopt this rule is questionable since the rule clearly applies to intrastate services.¹² Petitioners state correctly that the Commission’s authority under the Act does not extend to local services and the billing for those services by LECs.¹³

SCC is also concerned that the Commission has not adequately considered the costs of

⁷ See USTA at 4-5; US WEST at 6-7.

⁸ See US WEST at 7; USTA at 5.

⁹ See USTA at 5-6.

¹⁰ USTA at 12.

¹¹ Id.

¹² See USTA at 11-12; US WEST at 10-11.

¹³ See US WEST at 10; See also USTA at 11; MCI at 5.

implementing the TIB rules, including the rule concerning deniable and non-deniable charges. For example, an NTCA poll of its carrier-members indicates that the reported costs of upgrading billing systems to implement the TIB rules average between \$100,000 and \$125,000.¹⁴ AT&T “estimates that it would cost over \$4 million dollars to implement the billing system changes necessary to provide the requisite notifications on its customers’ bills.”¹⁵ As noted by USTA, “the cost per customer bill to implement this requirement is excessive relative to any value added to customer benefit.”¹⁶

Petitioners note that because the FCC did not adequately recognize the large burdens associated with compliance, it should reconsider its decision to impose the requirement on carriers, particularly small and mid-size LECs.¹⁷ US WEST states correctly that it is inconceivable that a federal cost/benefit analysis would support the kind of massive billing system changes required to implement the Commission’s rule.¹⁸

III. Conclusion

SCC supports clarity and simplicity in billing but agrees with USTA and other Petitioners that the Commission should reconsider the “monthly-service-provider” rule and the “deniable/non-deniable” rule. As adopted, these rules will lead to customer confusion and involve

¹⁴ See NTCA at 2, n. 4.

¹⁵ AT&T at 5.

¹⁶ USTA at 12.

¹⁷ See USTA at 14.

¹⁸ See US WEST at 12.

substantial expense that outweighs the perceived public benefit.

Respectfully submitted,

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Campti-Pleasant Hill Telephone Co., Inc.
CenturyTel of Northwest Louisiana, Inc.
CenturyTel of Central Louisiana, Inc.
CenturyTel of North Louisiana
CenturyTel of East Louisiana, Inc.
CenturyTel of Chatham, Inc.
CenturyTel of Southeast Louisiana, Inc.
CenturyTel of Evangeline, Inc.
CenturyTel of Southwest Louisiana, Inc.
CenturyTel of Ringgold, Inc.
Delcambre Telephone Co., Inc.
East Ascension Telephone Company, Inc.
Elizabeth Telephone Company
Kaplan Telephone Company, Inc.
Lafourche Telephone Company, Inc.
Northeast Louisiana Telephone Co., Inc.
Reserve Telephone Co., Inc.
Star Telephone Company, Inc.

CERTIFICATE OF SERVICE

I, Shelley Davis, of Kraskin, Lesse & Cosson, LLP, 2120 L Street, NW, Suite 520, Washington, DC 20037, hereby certify that a copy of the foregoing "Comments of the Small Company Committee of the Louisiana Telecommunications Association on Petitions for Reconsideration", was served this 14th day of September, 1999, by first class, U.S. Mail, postage prepaid to the following parties:


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